

# EXHIBIT C

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1 the liens that were related to funded receivables were  
2 kind of stamped with that.

3 Q And as I understand it, that stamp was  
4 primarily intended as a sort of an internal control to  
5 let Infinity employees know where payment needed to be  
6 directed when it came in. Is that correct?

7 A Yeah, it was a control, but it -- you know, in  
8 the end, when a check came in, we used the database to  
9 effectively do all the calculations and nobody looked at  
10 the liens at that point; right? Like I said, the  
11 liens -- that would be only necessary if you would kind  
12 of want to now take all documents and you want to find,  
13 okay, which page has a lien and a stamp and put that on  
14 piles; right? That's kind of -- from the work flow, it  
15 didn't really make a difference.

16 Q Let me put up another document here. It's  
17 Exhibit 25 from the Dropbox. It's another series of  
18 emails between you and Endre, it appears. These are from  
19 June of 2020, and these seem to reference removing stamps  
20 from documents. Do you see these emails?

21 A Yeah.

22 Q Do these emails relate to the same stamps that  
23 were referenced in the prior email we looked at?

24 A Yeah. That was -- that was from the time when  
25 we had the transition, because they would only actually

1 get stamped when the funding was used from HASElect to  
2 purchase those related receivables. By June 2020 we had  
3 a whole bunch of receivables that Infinity was holding  
4 that was not related to any loans from HASElect and that  
5 those were effectively -- had stamps on them because  
6 people who processed it in Infinity put those on  
7 automatically, but it was not part of any of the draws or  
8 collateral to any of those draws, and therefore we were  
9 discussing removing those stamps again.

10 Q And when you say it's not collateral, did you  
11 understand at that time in June of 2020 that HASElect  
12 held a security interest in all of the accounts  
13 receivable owned by Infinity regardless whether they were  
14 tied to any particular draw or not?

15 A Well, we kind of -- I was under the impression  
16 not -- we kind of got some advice from a couple of  
17 attorneys and they thought that should not be an issue.  
18 But I'm not an attorney. I can only kind of take advice,  
19 and I knew about the blanket UCC and the current  
20 situation and that HedgeACT was not providing any funding  
21 for loans on receivables. So that's why we decided to  
22 have Tecumseh purchase those.

23 Q So these are receivables that were already held  
24 by Infinity that you believed had been somehow released  
25 from HASElect's security interest that were then sold to

1 Tecumseh? Do I have that right?

2 A That was at the time the process, yeah, in June  
3 of 2020.

4 Q Okay. And I mean would it be reflected  
5 anywhere in Infinity's books and records which particular  
6 accounts were sold to Tecumseh at that time?

7 A It should be. Should be in the accounting  
8 software and in the database.

9 Q And it may have not been clear earlier, but I  
10 believe I asked you if any accounts in which HASelect  
11 held a security interest were sold to any other party,  
12 and I thought you had told me no. So just --

13 A Under the blanket UCC.

14 Q Yes, under the blanket UCC.

15 A Yeah. In that case the Tecumseh receivables  
16 were the only ones that fall in that category.

17 Q Do you have any recollection of the approximate  
18 amount that Infinity received from the sale of those  
19 receivables?

20 A It was the 20 percent fee on top of the cost  
21 that -- effectively the amount paid to the medical  
22 providers.

23 Q Was there any overhead or brokerage fee built  
24 into that?

25 A Yeah. The 20 percent included all that.

1 Q Where did Infinity get the money to purchase  
2 those accounts before they were sold to Tecumseh?

3 A They were paid from -- paid from the overhead  
4 account, to the best of my knowledge.

5 Q The overhead account, is that the Nevada State  
6 Bank account that we've been talking about, the one that  
7 has the 6375?

8 A Yeah. And you have to look at it more like as  
9 a process. At the time Infinity received receivables to  
10 review and fund on a daily basis, maybe 20 receivables  
11 let's say, and Infinity was always paying for those in  
12 advance. At the end of the month we would then receive  
13 the loan on the next draw from HASElect. So Infinity  
14 was always prepaying all the receivables, then HASElect  
15 gave us the loan from that month's draw at the end of the  
16 month, and after that we kind of started to do the next  
17 month. We did that for 22 months and HASElect issued a  
18 Notice of Default and stopped funding us in May of 2020.

19 So now we're sitting on a bunch of receivables  
20 that we would not get any more loans from or the next  
21 draw from HASElect, and according to the agreement, they  
22 had the first right of refusal and we could get other  
23 funding if we choose to when they refuse. That's how I  
24 understood that loan agreement and it was confirmed by  
25 our attorneys. And so we didn't see anything wrong in

1 proceeding and taking the money and selling it  
2 effectively off to Tecumseh.

3 Q These were receivables that were already owned  
4 by Infinity, not new receivables being purchased with  
5 Tecumseh's money; correct?

6 A Yes.

7 Q And you understood that HAS was not going to  
8 release another draw and advance additional funding based  
9 on receivables that Infinity already owned; correct?

10 A Usually they gave us every month at the end of  
11 the month forward. We owned money; right? That was kind  
12 of the process. Now instead of money, we received a  
13 Notice of Default that effectively would stop funding for  
14 May, and so we could not -- you know, we tried to resolve  
15 that and in June Tecumseh offered to buy receivables from  
16 us.

17 Q By that point you had been discussing a  
18 relationship with Tecumseh for several months already;  
19 correct?

20 A We discussed a new structure, yeah, since -- I  
21 don't know -- February or March; right? They kind of --  
22 it always takes a while to build up new relationships and  
23 see if anything would work, but we did not sign anything  
24 with them beyond discussing things with them until almost  
25 a month after we received the Notice of Default from

1 HSelect, so --

2 Q And that Notice of Default, I think you said  
3 that was in May of 2020?

4 A Yeah, the Notice of Default was in May of 2020.

5 Q And without getting into the details of  
6 anything that might have been discussed, did Infinity  
7 consult with any attorney at that time to determine  
8 whether or not those accounts could be sold free and  
9 clear of HSelect's security interest?

10 A Yes.

11 Q Who was the attorney that Infinity consulted  
12 with?

13 A Consulted with Larry Oldham and Brooke Borg.

14 Q Sticking on this topic, these particular  
15 receivables that were owned by Infinity prior to, you  
16 know, this time frame of roughly June of 2020 and sold to  
17 Tecumseh, did Infinity continue to service those  
18 accounts, provide collection services with respect to  
19 those receivables?

20 A Yes. That's what we got the fees for; right?

21 Q And when money was collected on those  
22 receivables, how would it be handled?

23 A It depended on if that was a case with only one  
24 funder or if any other funds were on that case, let's say  
25 HSelect/Tecumseh overlap situations where the amounts

1 had to be split between the funds. Those reports that  
2 were created showing the split, they were provided to  
3 HASelect. We said, "Okay, you get this portion. This  
4 portion was funded by Tecumseh," or another funder, and  
5 that was then -- you know, the returns were then split up  
6 accordingly. So HASelect was effectively in the know  
7 that these receivables were part of multiple funds maybe  
8 rather than just theirs.

9 Q Was there any information in that report  
10 indicating that those collections related to receivables  
11 in which HASelect held a security interest that had  
12 subsequently been sold to Tecumseh?

13 A There was nothing in the report, but HASelect  
14 knew that Tecumseh acquired receivables.

15 Q I'm sorry, I didn't hear the last part of that.  
16 HASelect knew what?

17 A That Tecumseh acquired receivables, right, with  
18 the help of Infinity.

19 Q To your knowledge, did HASelect know that  
20 those were receivables that had previously been purchased  
21 by Infinity and in which HASelect held a security  
22 interest?

23 A Yes, because the receivables that we had on our  
24 books based on funding were at that point sold to  
25 Tecumseh. So there was nothing secret.



1           A     Well, that email is from last year; right? Is  
2     that October 22nd, 2020?

3           Q     Yes.

4           A     Yeah, okay. During October there was an email  
5     exchange with -- I don't know who was on that, but Debbie  
6     and I communicated, Debbie Griffin, about buying out  
7     receivables from HASElect, going maybe batch by batch  
8     or, you know, looking at the combination and effectively  
9     slowly transferring the HASElect receivables to the  
10    Tecumseh fund while at the same time reducing the  
11    outstanding loan that Infinity was having with HedgeACT.  
12    So I was actually encouraged by Debbie and Mike Griffin  
13    to look into that as an option so they could get rid of  
14    the loan to us and effectively would no longer be  
15    involved in this whole process of collecting. So that  
16    was kind of in that regard we asked Tecumseh if they  
17    would be interested in purchasing those, and that's how  
18    the whole discussion started, and that was about October  
19    last year. There should be also an email between Debbie  
20    and me about that.

21          Q     Now, ultimately were any HedgeACT receivables  
22    sold as a result of those discussions?

23          A     No.

24          Q     Just to be clear, these are a different group  
25    of receivables than those that had been sold to Tecumseh

1 that we discussed earlier; is that correct?

2 A Yeah. These are the ones that are part of the  
3 draws that we took and purchased those receivables as  
4 collateral.

5 Q And just to make sure this is clear in my mind,  
6 the other receivables that were sold to Tecumseh, those  
7 are receivables that were at one point associated with a  
8 draw but that's a draw from HASElect but that draw had  
9 been repaid. Is that correct?

10 A No, that's not. We never sold anything to  
11 Tecumseh that was collateral to an HASElect draw. We  
12 only sold them receivables that could have become  
13 collateral to an HAS draw, but because they stopped  
14 funding, there was never an HAS draw and therefore  
15 Tecumseh bought them.

16 Q Were those receivables that were owned at a  
17 point in time by Infinity prior to the point in time at  
18 which HASElect stopped funding?

19 A There might be a few, like some medical records  
20 that Infinity already had on the books for a while and  
21 that were never part of any of -- I would have to look,  
22 but it was not -- it wasn't a substantial amount. It was  
23 very small.

24 Q And these specific accounts that were sold to  
25 Tecumseh, had they ever been included in any reports to